GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:7712
ANSWERED ON:17.05.2002
MARKETING REGULATIONS BY HINDUSTAN PAPER CORPORATION LIMITED
AMAR ROY PRADHAN;BRAHMANAND MANDAL

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether non-adherence to the marketing regulations by M/s. Hindustan Paper Corporation Limited, after 1995 has resulted in accumulation of huge outstanding;

(b) if so, the details of those regulations which resulted to huge outstandings;

(c) the names and designations of officials of Corporation, who were responsible for such loss to the Corporation; and

(d) the action taken against each of them by the Government?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLAI KATHIRIA)

(a) & (b) The total outstandings of Hindustan Paper Corporation (HPC) in 2000-01 are Rs.139.4 crore out of which outstandings on account of non-adherence to marketing regulations of HPC are Rs.16.12 crore.The irregularities on account of violation of marketing regulations mainly include violation of credit limits and supplies to the parties whose cheques got dishonoured.

(c) & (d) In pursuance of decision of Board of Directors of HPC in their meeting held on 22.1.2000, the criminal proceedings were filed with Deputy Inspector General, Central Bureau of Investigation, Kolkata giving the details of mis-conduct, fraud etc allegedly committed in the matter. Disciplinary proceedings have also been initiated against 13 officials of HPC for fixing responsibility and taking consequential appropriate action. Other action like suspension and transfers has also been taken. HPC has also filed complaint under Section 138 of Negotiable Instrument Act against one stockist before a Delhi Court, which is presently sub-judice.